Chappaqua Central School District

Report on Internal Controls Pertaining to the Benefits Cycle

June 2025

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Scope of Engagement

Pursuant to the request of Chappaqua Central School District and in accordance with the District's December 2024 Risk Assessment, we have reviewed the policies, procedures, and internal controls pertaining to the District's Benefits Cycle.

The objective of our analysis was to determine whether the internal controls pertaining to employee benefits procedures are adequate and that duties are properly performed, thus safeguarding the District's assets. This internal audit report pertains to the 2024/2025 fiscal year.

Work Performed

Our analysis consisted of the following:

1. Examined the documents provided to us by the Business Office, including, but not limited to:

    a. Board approved policies.
    b. Benefits procedural manual.
    c. Bargaining unit agreements entered into between the District and the various units.
    d. List of benefits available to District employees.
    e. Benefit plans and agreements entered into by the District and each carrier for the fiscal year 2024/2025.

f. Copies of benefit election forms utilized by the Benefits Department.
g. Payroll deduction report by employee generated by nVision as of January 2025.
h. COBRA participant records with enrollment dates for the current fiscal year.
i. Listing of COBRA payments made by former employees for the month of January 2025.
j. Employee and retiree enrollment records for ERS and TRS for the month of January 2025.
k. Detailed payroll records of employer and employee gross wages, working hours, and contributions to ERS and TRS for the period of July 2024 through January 2025.
l. Joint Benefits Trust fund benefit enrollment reports as of November 2022.
m. Details of billings and payments for the joint benefit trust fund for the current fiscal year.
n. Putnam/Northern Westchester Health Benefits Consortium Municipal Agreement.
o. Board agendas and resolutions related to benefit approvals or policy changes for the current fiscal year.

2. Performed initial planning and interviews with the Assistant Superintendent for Business, Senior Office Assistant involved in the Benefits Cycle. During our meetings, we had the opportunity to review documents and direct inquiries regarding transactional records, supporting documents, and timely reporting. The purpose of these interviews was to obtain knowledge of each individual's job duties and involvement as they pertain to the benefits process, day-to-day responsibilities, and who they report to and supervise.

3. Assessed the District's internal controls, including control effectiveness, performance, and expenditures. Assessed possible improvements pertaining to the internal controls of the benefits cycle. Such recommendations are presented within each applicable section of the report.

4. Prepared analysis and report. An audit exit conference was held on July 10, 2025 with the Assistant Superintendent for Business. The results, findings, and recommendations contained in this report were discussed with those attending.

Assessment of Employee Benefits Procedures

Based on the agreed-upon scope, we have assessed the following areas in the benefits cycle. We have reviewed and tested each categorical procedure during the course of our audit. We have documented the employee benefits process through flow charts and narratives for each categorical procedure within Exhibits 1 through 6. For ease of reference, the categories are listed below:

- ***Benefits Organizational Structure & Governance***
- ***Benefits Eligibility & Enrollment***
- ***Benefits Calculation & Payment***
- ***Benefits Termination/Retirement***
- ***Joint Benefits Trust Fund (Dental, Vision, Life Insurance)***
- ***Putnam Northern Westchester Health Consortium***

Benefits Organizational Structure & Governance *(Exhibit 1)*

The attached Exhibit 1 summarizes the organizational structure of the Benefits Cycle. We have made the following observations regarding the processes carried out by each Party:

Party	Function
Assistant Superintendent for Business	Reviews and approves annual benefit rate schedules and payroll deduction structures. Oversees the District's overall financial obligations related to employee benefits. Participates in the rate-setting and plan evaluation process with the Putnam/Northern Westchester Health Benefits Consortium (PNW HBC).
Human Resources Department	Provides enrollment packets to new hires; collects and reviews documentation. Notifies Payroll and carriers of terminations and life events.
Payroll Department	Confirms eligibility based on Board agenda and bargaining unit terms. Maintains benefit records in nVision for active employees and retirees. Manages benefit-related communications with employees (e.g., enrollment, waivers, qualifying life events). Tracks and reports dependent eligibility and spousal coverage compliance. Runs monthly internal benefit listings for reconciliation. Maintains dependent documentation and waiver tracking. Inputs and updates benefit deductions in nVision based on HR-provided data. Maintains shared deduction spreadsheet for internal review. Verifies and processes payroll deductions. Sends termination notifications to insurance carriers. Prepares and reconciles billing data for retirees (semi-annual). Coordinates COBRA buy-in amounts and deduction tracking. Reviews monthly invoices from carriers (health, life, LTD, etc.). Reconciles invoices against internal records and deduction reports. Flags discrepancies and coordinates with HR or carriers to resolve. Coordinates Medicare documentation for retirees turning 65.
Putnam/Northern Westchester Health Benefits Consortium (PNW HBC)	Issues premium rates and monthly invoices. Provides "Heads Up Reports" for eligibility changes. Serves as the liaison to Aetna for health insurance administration.
FM Vacaro & Associates (Third-Party Administrator)	Manages enrollment, eligibility, COBRA, and billing for health plans. Transmits data to Aetna and Navitus. Provides a dedicated account manager for District inquiries.
Chappaqua Congress of Teachers Benefit Fund (CCTBF)	Provides dental, vision, life, and ancillary benefits. Manages enrollment records independently. Sends quarterly invoices to the District. Administered by union trustees (mix of active and retired employees).

The District has developed a formal procedural manual regarding employee benefits enrollment, eligibility, communications, working spouse rules, calculations, qualifying events, retirees, COBRA, ACA compliance, accounts receivables, and monitoring.

- ***No recommendations at this time.***

Benefits Eligibility & Enrollment (*Exhibit 2)*

The attached Exhibit 2 summarizes the benefits eligibility and enrollment procedures. We have made the following observations:

The District determines employee benefits eligibility based on Board of Education (BOE) appointments and collective bargaining agreements. Once approved by the BOE, employees' eligibility is validated by comparing hiring notifications with official Board agendas. Benefits are extended to employees working as few as 25 hours per week, depending on union agreements. Legal counsel reviews compliance with regulations such as the Affordable Care Act (ACA). Temporary and part-time employees who are not benefits-eligible may opt into coverage at full cost. Upon hire, eligible employees receive a 30-day enrollment window, during which they must submit completed forms and documentation for dependent coverage. The District enforces a working spouse rule, administered by a third-party who determines spousal eligibility and calculates any required contributions.

Once enrollment forms are submitted, Human Resources enters benefit data into the nVision system, and Payroll sets up deductions using a shared spreadsheet. Benefits data is transmitted to third-party administrators and carriers, including Aetna for health, Navitus for prescriptions, and The Preferred Group for dental and vision. Option changes are permitted during open enrollment or in the event of a qualified life event. Monthly, the Payroll Department reconciles invoices from carriers and validates eligibility and deductions. The Human Resources Department utilizes administrator portals to verify accurate enrollment and updates nVision classifications annually, based on position, bargaining unit, and employment status.

We selected a random sample of ten (10) active employees who reported health insurance deductions on the payroll deduction report as of January 2025. We have examined the benefits information for the selected employees against our audit criteria and confirmed that the employees' benefits payroll deductions agreed to the health insurance carrier's employee contribution premiums. No exceptions were noted.

- ***No recommendations at this time.***

Benefits Calculation & Payment (*Exhibit 3)*

The attached Exhibit 3 summarizes the benefits calculation and payment procedures. We have made the following observations:

The District does not directly process or adjudicate medical claims. Instead, its role is limited to remitting premium payments and maintaining accurate enrollment records. Aetna, as the third-party medical insurance provider, is responsible for claims processing. Employees must contact Aetna directly for any claim-related matters. Claims are administered in accordance with the plan's terms, including copayments and coverage limits. The District participates in the Putnam/Northern Westchester Health Benefits Consortium, which monitors aggregate claims activity to inform annual premium rate setting across 14 member districts.

Annually, Aetna issues premium rates by tier, which are reviewed in conjunction with bargaining unit agreements to determine employee and employer contributions. The Payroll Department prepares and enters these rates into the nVision system after approval by the Assistant Superintendent for Business. Monthly invoices from carriers for various benefit plans are reviewed by the Business Office and reconciled with payroll and enrollment records.

- ***No recommendations at this time.***

Benefits Termination/Retirement *(Exhibit 4)*

The attached Exhibit 4 summarizes the benefits termination and retirement procedures. We have made the following observations:

The Human Resources Department notifies the Payroll Department of employee terminations through Board agendas, personnel forms, or direct emails, prompting the Payroll Department to coordinate the termination of benefits. For retirees, the Payroll Department receives at least 30 days' notice, holds a meeting to explain benefit continuation options, and provides necessary forms. The Payroll Department uses a checklist to ensure tasks are completed, including updating the nVision system and triggering COBRA procedures. COBRA continuation is administered by a third-party administrator, who handles notifications, enrollments, and payments, with the District only receiving updates on coverage status.

We selected a random sample of five (5) employees who resigned or retired from the District during the fiscal year 2024/2025 and tested their COBRA elections against our audit objectives. Based on our analysis, we confirmed that the District offered COBRA coverage for all employees selected for testing.

We selected a random sample of four employees who resigned or retired from the District during the fiscal year 2024/2025 and tested their retirement payouts against our audit objectives. Based on our analysis, we noted the following:

- All retirees provided written notification of their pending resignation or retirement, which was reviewed and approved by the Board of Education.
- The Business Office has developed a process whereby the retirement payout calculation forms are reviewed and signed off by multiple departments prior to processing payments.

- ***No recommendations at this time.***

Joint Benefits Trust Fund (*Exhibit 5)*

The attached Exhibit 5 summarizes the procedures pertaining to the Joint Benefit Trust Fund. We have made the following observations:

The Chappaqua Congress of Teachers Benefit Fund (CCTBF) operates as an independent joint benefits trust fund, offering supplemental benefits such as dental, vision, life insurance, and limited ancillary services to District employee groups except custodians. Although managed separately from the District, the Payroll Department is responsible for enrollment, terminations, and processing payroll deductions, including both employer contributions and employee premiums. The Benefits Office conducts monthly internal reviews to track eligible employees and payroll deductions. Quarterly invoices issued by CCTBF are manually reconciled against District records to verify accuracy.

Observation/Recommendation #1 ***Risk Rating: Moderate***

The District relies on internal employee listings to reconcile quarterly dental and vision invoices from the Congress of Teachers Benefit Fund (CCTBF), which does not provide a participant-level breakdown. During the current audit, we requested an updated employee listing from CCTBF through the District to assess benefits eligibility and enrollment accuracy. Despite multiple follow-up attempts, the requested data

was not provided. The lack of access to employee enrollment data restricts the audit team's ability to independently verify eligibility, identify potential billing errors, and evaluate the accuracy of benefit records.

- ***The District and the Congress of Teachers Benefit Fund (CCTBF) should implement a formal process to maintain and readily provide up-to-date employee enrollment listings for its dental and vision coverage and benefit plans. The listings should be centralized, access-controlled, and made available upon request to relevant stakeholders, including internal audit. This will assist the District in performing accurate reconciliations and improving oversight of benefit expenditures.***

Putnam Northern Westchester Health Consortium (*Exhibit 6)*

The attached Exhibit 6 summarizes the procedures pertaining to the Putnam Northern Westchester Health Consortium. We have made the following observations:

The District participates in the Putnam/Northern Westchester Health Benefits Consortium (PNW HBC) that manages health benefit administration through a third-party administrator, FM Vacaro & Associates. This administrator oversees enrollment, billing, eligibility, and COBRA processing. A dedicated account manager supports the District with billing and enrollment corrections. The District receives monthly invoices from the consortium for both active and retired employees and uses this data for internal reconciliation.

Observation/Recommendation #2 ***Risk Rating: Moderate***

The District's group health plan, administered by Putnam/Northern Westchester Health Benefits Consortium (PNW HBC), does not enforce NAIC-based Coordination of Benefits (COB) rules, particularly for spouses and dependents with dual coverage. Currently, the District allows spouses under age 65 to maintain primary coverage under the plan without requiring enrollment in their own employer's plan or verification of other coverage. There is also no requirement to provide proof of termination of prior coverage at the time of enrollment. This lack of COB enforcement increases the risk of potential noncompliance with COB rules and overpayment of claims.

- ***The District and Putnam/Northern Westchester Health Benefits Consortium (PNW HBC) should align their health benefits administration with NAIC Model Regulation #1205, which mandates Coordination of Benefits (COB) rules to determine primary and secondary coverage. Under this regulation, secondary plans pay only after the primary plan and within defined limits; they cannot cover denied services or serve as excess coverage. Additionally, the District should implement an annual certification process that requires employees to disclose any other active coverage and report any changes. This will assist the District in maintaining regulatory compliance and preventing overpayments.***

Risk Rating and Opinion

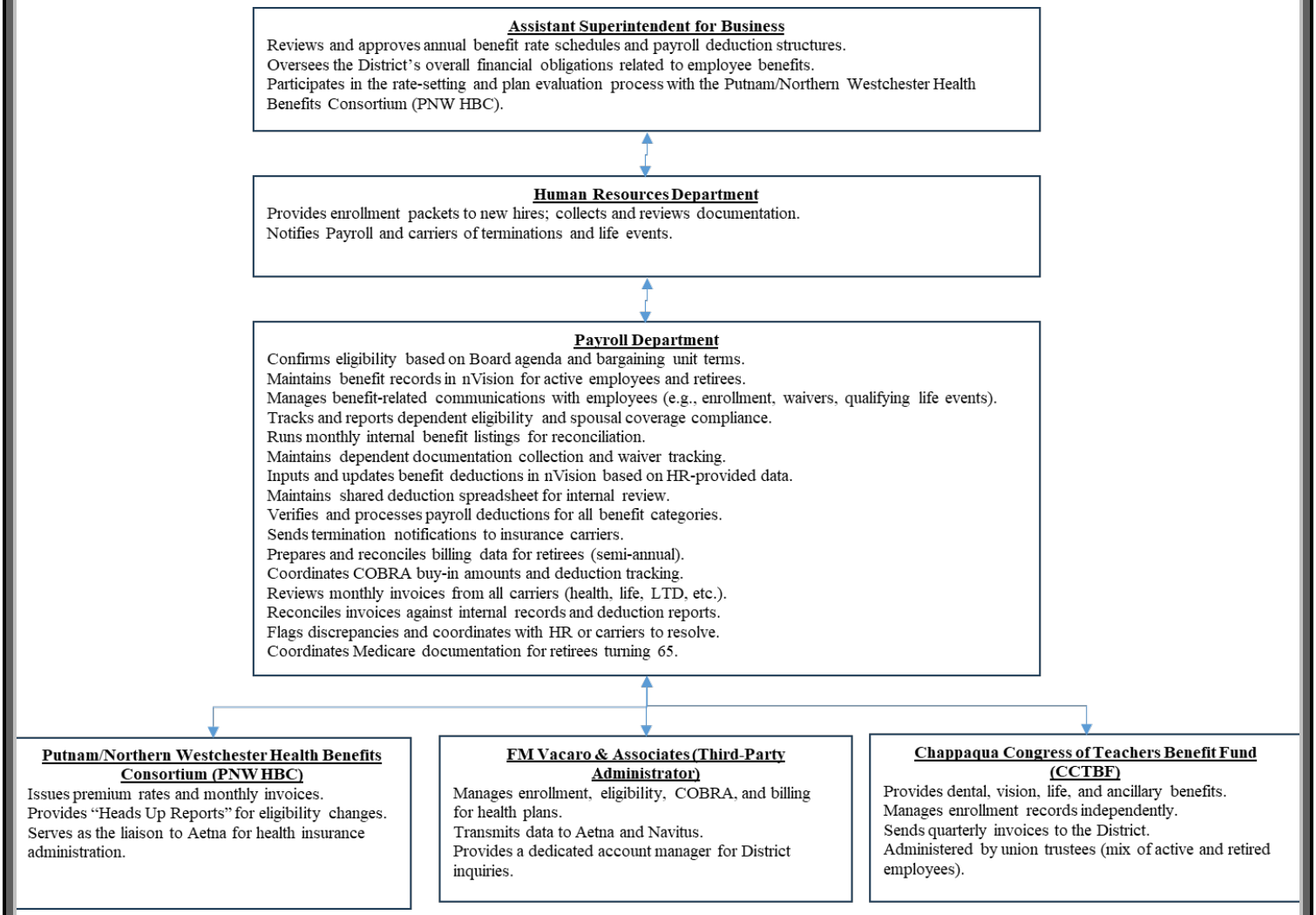
Inherent Risk Rating:	High
Control Risk Rating:	Low (Chappaqua Central School District)
Audit Opinion:	Needs Improvement
Audit Comment:	The District's control environment pertaining to the Benefits Cycle needs improvement. The recommendations noted above are aimed to improve the effectiveness of the general controls, benefits calculations, and the related responsibilities and controls within the Business Office and Payroll Department.

Exhibits

Exhibit 1	Flowchart of Benefits Organizational Structure
Exhibit 2	Narratives of Benefits Eligibility & Enrollment Procedures
Exhibit 3	Narratives of Benefits Calculation & Payment Procedures
Exhibit 4	Narratives of Benefits Termination/Retirement Procedures
Exhibit 5	Narratives of Joint Benefits Trust Fund
Exhibit 6	Narratives of Putnam Northern Western Health Consortium

Please contact our Hauppauge, New York office @ 631-756-9500 if you should have any questions in this regard.

Chappaqua Central School District
Report on Internal Controls Pertaining to the Benefits Cycle
Flowchart of Benefits Organizational Structure
Exhibit 1



General Benefits Information

The following table summarizes the insurance benefits provided through the District, categorized by insurance carriers and third-party administrators:

Insurance	Carrier	Third-Party Administrator
Health	Self-Insured – (Aetna)	Putnam/Northern Westchester (HBC)
Dental	The Preferred Group	Chappaqua Congress of Teachers Benefit Fund
Vision	The Preferred Group	Chappaqua Congress of Teachers Benefit Fund
Flexible Spending Plan	Self-Insured	WageWorks
Life	Mutual Omaha	Chappaqua Congress of Teachers Benefit Fund
Long-Term Disability	J.J. Stanis	
Prescription	Navitus	

The following table summarizes the insurance benefits applicable to each bargaining unit:

Bargaining Unit	Health	Dental/Vision	Life	LTD	Flexible Spending
CAA	√	√	√	√	√
CCT	√	√	√	-	√
COSA	√	√	√	-	√
CSEA	√	√	√	-	√
RN, LPN, PT, ATH Trainer	√	√	√	-	√
TAsst	√	√	√	-	√

Eligibility Determination Process

Eligibility for employee benefits is governed by the Board of Education (BOE) appointment and the terms outlined in bargaining unit agreements. Once an employee is formally appointed by the BOE, their eligibility for benefits is activated in accordance with their respective union contract. The Human Resources and Benefits staff compare the new hire email notifications with the official Board agenda to confirm eligibility status. Only individuals who appear on the Board-approved list are permitted to proceed with benefits enrollment.

The District extends benefits to employees working as few as 25 hours per week, depending on bargaining unit terms. Each bargaining unit outlines specific eligibility criteria, including the following minimum work hours:

- Teachers may become eligible at a 0.6 FTE threshold.
- Civil Service Employees Association (CSEA) members may qualify at either 25 hours per week or 0.5 FTE, depending on the agreement.

Regulatory and Legal Compliance

The District's legal counsel reviews the bargaining agreements for compliance with state and federal regulations. This review includes verification against mandates such as the Affordable Care Act (ACA), which requires health insurance to be offered to at least 95% of full-time equivalent employees.

Eligibility for Temporary and Part-Time Employees

Temporary and part-time employees are generally not eligible for employer-subsidized benefits. However, these individuals may elect to participate in the District's benefits programs by paying 100% of the premium costs. This option is extended to substitutes and part-time personnel who remain actively employed by the District.

Enrollment Process

Upon Board approval, new hires receive an email package containing enrollment forms and detailed instructions. Employees are given 30 days from their hire date to complete and submit enrollment selections. The new hires are required to submit the following:

- Complete the required forms for the selected benefits (e.g., health insurance, dental insurance).
- Submit supporting documentation for dependent coverage, including birth certificates, marriage certificates, and Social Security numbers for dependents.

Dependent Enrollment – Spousal Coverage Rules

The District enforces a working spouse rule for health insurance. The determination of whether a spouse can be included under the District's health plan as primary (with or without a financial contribution) is made by a third-party benefits administrator. The administrator reviews:

- Tax returns
- W-2s
- 1095 forms, if provided

Based on the administrator's assessment, the District is informed whether the spouse is eligible. If applicable, the employee must sign a form acknowledging the required spousal "buy-in" amount, payable via payroll deduction or personal check.

Waiver of Benefits for Employees Declining Coverage

Employees who opt out of health insurance are required to complete a formal waiver of benefits form. The Human Resources Department retains this documentation for recordkeeping and compliance purposes.

Ancillary Benefits (Dental, Vision, etc.)

For most employee groups (e.g., teachers and clerical staff), dental and vision coverage is provided at no cost for single coverage, and employees are not required to submit a formal waiver if they choose not to enroll in these benefits.

The Human Resources Department obtains written confirmation (e.g., an email or form) from individuals who decline ancillary coverage when they are covered under their spouse's plan.

CSEA members are required to enroll in ancillary benefits such as dental or vision. In the event an employee fails to submit forms, the Human Resources Department enrolls them directly to avoid gaps in coverage.

Transmission of Benefits Data to Envision and Payroll Processing

Once an employee is confirmed eligible for benefits and submits the required enrollment forms, their information is entered into the nVision benefits module. The Payroll Department enters this data within two weeks of the employee's hire date.

The District maintains a monthly payroll deduction schedule, including benefits-related deductions processed during the first payroll of each month. The Human Resources Department records the applicable deductions in a centralized spreadsheet, which the Payroll Department uses to input the data into the payroll system.

When employees experience qualifying life events, such as the birth of a child, marriage, or a change in spousal coverage status, the Human Resources Department updates the deduction spreadsheet to reflect any changes in premiums. These adjustments are incorporated into the next payroll cycle.

Transmission of Benefits Data to Health Insurers and Carriers

Once employee benefit enrollment is completed and recorded, the District transmits the necessary data to its third-party benefits administrator, who facilitates enrollment with the appropriate insurance carriers.

The administrator transmits data to Aetna, the medical insurance carrier, through the secure benefits portal on a weekly basis, and prescription drug coverage to Navitus, the pharmacy benefits manager, on a daily basis.

Life insurance coverage for administrators and custodial staff is entered directly by the Human Resources Department into the carrier portal.

For dental and vision coverage, the Human Resources Department sends completed enrollment forms to the administrator, who then enters the information into their system. For CSEA members, the Human Resources Department enters their eligibility data directly into the appropriate portals.

Processing Benefits Option Changes

The District permits changes to employee benefit elections as follows:

- During the annual open enrollment period. The open enrollment period is standardized across bargaining units and is scheduled annually based on guidance from the District's health insurance provider.
- In the event of a qualified life event (e.g., marriage, birth of a child, loss of coverage). The Human Resources Department manages changes by tracking the effective dates and validates the eligibility of any mid-year changes based on appropriate documentation supporting the qualifying event.

Validation of Enrollment Data from Third-Party Administrator

The District participates in the Putnam/Northern Westchester Health Benefits Consortium, a cooperative of 14 school districts that collectively manage health benefits to achieve administrative efficiencies and cost savings. The consortium utilizes Vacaro & Associates as its third-party administrator (TPA) to handle enrollment, eligibility management, and billing, while Aetna serves as the medical claims processor.

The Human Resources Department has access to the health portal managed by the administrator to verify enrollment records and confirm that submitted changes (e.g., new hires, qualifying life events, coverage tier updates) are accurately reflected.

Each month, the Business Office receives a benefits invoice, which the Payroll Department reviews for discrepancies or anomalies.

Any inconsistencies identified during the review process are communicated to the TPA for correction and resolution.

Employee Classification and Benefit Setup in nVision

Employees are classified in the nVision benefits module based on the following:

- Position title
- Bargaining unit
- Employment status (e.g., full-time, part-time, retiree)
- Start or end date

Within nVision, employees are assigned to specific benefit plans (e.g., "Dental – Teacher" or "Health – Custodial"), which are tagged to the appropriate bargaining unit. Each group has predefined premium cost-sharing percentages that are updated annually in the system.

Payroll Deduction Setup in nVision

Once employees are enrolled in benefits, the Payroll Department updates the nVision system with benefit selections and enters the corresponding contribution amounts based on the latest plan year rates.

A shared deduction spreadsheet is maintained and updated by the Human Resources Department and reviewed by the Payroll Department. The Payroll Department inputs the deduction codes into their system to initiate monthly withholdings.

Annual updates are completed at the start of each fiscal year, with the Human Resources Department updating benefits in nVision and the Payroll Department updating the deduction schedules accordingly.

Claims Processing:

The District does not process or adjudicate claims directly. The District's responsibilities are limited to:

- Remitting monthly premium payments, including the employee's share (via payroll deductions) and the employer's contribution.
- Maintaining enrollment records and transmitting eligibility data to the third-party administrator and carriers.

Claims-related functions are handled by Aetna, the District's third-party medical insurance provider. Employees are instructed to contact Aetna directly for claim submissions, questions, or appeals related to medical services. Aetna administers claims in accordance with the applicable plan documents, including provisions for copayments, coinsurance, deductibles, and service coverage limits.

Putnam/Northern Westchester Health Benefits Consortium monitors claim activity during the annual rate-setting and plan evaluation process. As a participating member of the consortium, the District receives aggregate-level claims utilization data. This data is used to assess overall risk exposure across 14 member districts and to inform future premium rate adjustments.

Benefit Calculations

Each fiscal year, health insurance premium rates are issued by Aetna through the Putnam/Northern Westchester Health Benefits Consortium for different coverage tiers (e.g., individual, two-person, family coverage). The District receives this information by April or May, in preparation for implementation by July 1st, the start of the new fiscal year.

Once the rates are available, the District refers to its collective bargaining agreements to determine the applicable cost-sharing percentages for each bargaining unit.

The Payroll Department develops an Excel spreadsheet with benefits rates for each bargaining unit, including:

- The total premium for each tier of coverage
- The employer contribution amount
- The employee contribution amount

The Assistant Superintendent for Business reviews the Excel spreadsheet for completeness and accuracy before the Business Office implements any deductions.

The Payroll Department enters the approved rates into the nVision benefits system.

The nVision system is configured to reflect each employee's assigned group and benefit selections. If discrepancies arise, the Human Resources and Payroll Departments review the data entries and make necessary adjustments.

Review and Reconciliation of Insurance Carrier Invoices

The Business Office receives monthly invoices from insurance carriers for benefits, including health, life, and long-term disability. The Business Office reviews and reconciles the invoices against employee benefit enrollment records, payroll deduction listings, and employee eligibility status.

The Congress of Teachers Benefit Fund (CCTBF), which provides dental and vision coverage (at no cost for individual coverage and at a cost for dependent coverage), issues quarterly invoices. CCTBF does not provide a detailed enrollment listing alongside its invoice, which limits the District's ability to perform a reconciliation. As such, the District relies on its internal employee listings to verify accuracy. However, recurring reconciliation issues include individuals listed on the invoice who are not on the District's eligibility listing and employees not reflected in the rosters (e.g., employees with unique contracts or Board approvals)

Benefits Termination

The Human Resources Department notifies the Payroll Department through Board agenda minutes, personnel action forms, or direct email communication of any terminated employees (e.g., resignations, terminations, or unpaid leaves of absence).

For retirements, the Payroll Department receives notice (30 days or more) to plan for any transition in coverage or retiree benefits. The Payroll Department meets with the individual to review available benefits and provide the required forms and instructions. During these meetings, retirees are informed of their eligibility to continue health coverage, their cost-sharing obligations as defined by their bargaining unit, and the procedures for submitting forms and making payments if they elect to continue coverage.

Benefits are structured to terminate at the end of the calendar month in which the employee separates from service or becomes ineligible to receive them.

The Payroll Department notifies the respective carriers, based on the type of benefit, as follows:

- Health Insurance: Terminations or cancellations are processed by submitting a Health Enrollment Form. Additionally, the administrator enters the termination details in the designated benefits portal.
- Dental and Vision (CCTBF): Notification of terminations is made via email to the carrier.
- Dental and Vision (CSEA): Terminations are processed directly through the benefits portal by the administrator.
- Long-Term Disability (LTD): Changes or cancellations are communicated to the carrier via email.
- Life Insurance: Terminations are entered by the administrator in the benefits portal.

The Payroll Department maintains a checklist to manage benefit-related termination tasks, including:

- Reviewing the employee's benefit enrollment records
- Ending coverage in the nVision system
- Notifying insurance carriers of the termination
- Triggering COBRA notification procedures via the third-party administrator

Continuation of Benefits Post-Termination

Upon termination, benefits are ended effective the last day of the month, unless the employee elects COBRA continuation coverage.

COBRA eligibility is administered by the District's third-party benefits administrator, who is responsible for:

- Sending COBRA election notices
- Managing enrollments
- Processing payments

If payments are missed or delinquent, coverage is automatically terminated in accordance with COBRA regulations

The District is notified only of the individual's coverage status (active or terminated).

The Joint Benefits Trust Fund pertains to the Chappaqua Congress of Teachers Benefit Fund (CCTBF). This fund operates independently from the District and provides supplemental employee benefits, including:

- Dental insurance
- Vision insurance
- Life insurance
- Additional ancillary benefits (e.g., limited legal services)

These benefits are available to all employee groups except custodians, who receive comparable coverage through their fund administered by CSEA.

Benefit Coverage and Cost Structure

Individual coverage for dental and vision is provided at no cost to the employee.

Employees who elect family coverage are subject to monthly payroll deductions.

Life insurance is also offered through the fund and is included in the base benefit package for eligible participants.

Administrative Roles and Responsibilities

The CCTBF is managed independently of the District. The Payroll Department is responsible for:

- Enrolling and terminating employees in the appropriate benefit categories.
- Calculating and remitting monthly payments to the fund for both employer-paid benefits and employee payroll deductions.
- Processing enrollment changes (e.g., adding dependents) based on employee elections

The District pays a fixed amount per enrolled employee, and any additional premiums for dependent coverage are collected through payroll and forwarded to the fund.

Monthly Internal Review Procedures

The Benefits Office runs a monthly internal benefit listing to monitor eligibility. This report captures:

- Employees eligible for CCTBF coverage
- Associated enrollment categories (individual or family)
- Corresponding payroll deductions

Quarterly Invoice Reconciliation

CCTBF issues quarterly invoices based on its internal records. However, these invoices generally lack a detailed participant roster. As a result, the Benefits Office attempts to manually reconcile the invoice totals against the District's internal records.

The District participates in the Putnam/Northern Westchester Health Consortium (PNW HBC), a multi-district cooperative responsible for managing health benefits administration, including coordination with third-party administrators for enrollment and claims processing. PNW HBC contracts with a third-party administrator (FM Vacaro & Associates) to handle enrollment, eligibility, billing, and COBRA administration.

The District has a dedicated account manager at PNW HBC to contact for questions and issues, including corrections to billing or enrollment records.

The District receives monthly invoices from PNW HBC, indicating premium charges for both active and retired employees, which are used for reconciliation against internal records.

In addition to billing, PNW HBC provides a monthly "Heads Up Report". This report identifies upcoming changes in participant eligibility, including dependents aging out of coverage at age 26 and retirees approaching age 65, who must transition to Medicare Part A and B.

Based on this information, the Business Office notifies employees and retirees of upcoming changes in eligibility, COBRA options, Medicare enrollment, or transitions to alternate coverage. The Business Office requests the required documentation (e.g., Medicare cards) to maintain compliance with plan rules.

Verification of Invoices

For active employees, the Payroll Department cross-references the monthly consortium invoice with:

- The payroll deduction report, which reflects current premium contributions by coverage tier.
- Internal enrollment records are maintained in nVision.

For retirees, the Payroll Department cross-references the monthly consortium invoice with:

- A retiree roster, which is updated for events such as death, spousal changes, or aging out of dependents
- Qualifying life events (QLE) folder, organized by month, to track changes, such as:
    - Death of a retiree or spouse
    - Changes in family status
    - Medicare transitions
    - Tier changes due to life events